

PARTICIPANT SAVINGS PLAN AGREEMENT

This agreement, between the Michigan IDA Program Site and the Program Participant listed at the bottom of this agreement (“the Participant”), details responsibilities of both parties in connection with the Michigan IDA Program. **By initialing each section, the Participant acknowledges understanding the content of the section.**

Program Site Responsibilities

IDA Program Site agrees:

- **Develop an Individual Savings Plan** with the Participant to help meet the specified asset goal.
- **Financial Education Workshops:** to present a personal finance and financial education training for the Participant’s benefit.
- **Provide/Coordinate Asset-Specific Training:** Provide or coordinate for asset-specific training to meet the specific asset goal, i.e., business training, homeownership training, etc.
- **Credit Issues:** Provide, or arrange to provide, credit and credit repair counseling that will enable the Participant to succeed with their asset purchase.
- **Individual Assistance:** Provide individual counseling, on an as needed basis, to support the Participant’s achievement of their asset goal. Assistance could include, but is not limited to budgeting, saving tips, motivation, or problem solving with participant during difficult times.
- **Organize Peer Support:** Establish support group meetings for Participant for mutual support and problem solving during the training and savings period.
- **Follow-up support:** Provide guidance and support to Participant through the asset purchase or release from the program. Maintain contact with IDA participants at least 1 year after their asset purchase for follow-up and evaluation of the program
- **Account Statements:** to provide the Participant with a timely and accurate quarterly account statement, listing accumulated savings, earned matches and account activity.
- **Confidentiality:** to protect the Participant’s privacy by securing personal and financial records and keeping all such information confidential within the Michigan IDA Program.
- **Match Funds:** to match the Program Participant’s qualified savings at a 2:1 (education, training or small business) or 3:1 (homeownership) rate. Not more than either \$2000 or \$3000 in matching funds may be provided through matching contributions to any one individual. Michigan IDA Partnership will maintain all matching contributions in an account separate from the Participant’s account until a qualified withdrawal is approved.

_____ **Initials**

Participant Responsibilities

The Participant agrees:

- **IDA Opening:** to attend program orientation session(s) and to open an IDA account at a participating financial institution and to make an initial deposit of at least \$20.00 within the first thirty (30) days of completing the Savings Plan Agreement.
- **Qualified Asset:** to open an IDA account for the purpose of saving for a qualified asset that includes home ownership, job training or education, and/or self-employment.
- **Monthly Deposits:** to deposit a minimum of \$20 every calendar month from his or her earned income (income received as a wage or through self-employment).

- **Credit Repair:** to review and, if necessary, repair any credit problems that may inhibit the successful purchase of my desired asset.
- **Financial Education Workshops:** to attend all financial education workshops, actively participate in all workshop discussions and exercises, and complete all homework activities.
- **Asset-Specific Training:** to attend additional educational and training workshops appropriate to his or her selected asset goal, as determined by Program staff.
- **Confidentiality:** to respect the right to privacy of all Participants by keeping confidential any personal or financial information divulged in the course of the Program.
- **Change of Address:** to provide Program staff with updated personal information in the event of a change of address, phone number or emergency contact information.

_____ **Initials**

Mutual Understandings

Both parties understand and agree that:

- **Qualified withdrawals:** are for the asset specified in this agreement and are only allowed after the Participant has been enrolled in the Program for at least six months and has completed all Program preparatory requirements. Qualified withdrawal requests must be submitted at least 30 days in advance of date funds will be needed.
- **Emergency withdrawals:** are strongly discouraged and are only available to the Participant in accord with the Program's emergency withdrawal policy and procedure.
- **Termination from Program:** occurs if Participant makes an emergency withdrawal from the Michigan IDA Program account within the first six months of enrollment in the Program or fails to make three deposits in a calendar year. Failure to make any deposit for two months will result in a meeting to be held with Program staff before the Participant can continue in the Program. At that time, a new savings schedule must be agreed to and signed by the Participant. If the Participant fails to meet the revised schedule, the Participant may be terminated from the Program. Termination from program can also occur if participant violates program guidelines, misrepresents information provided on their application, or conducts any other activity that would represent fraud.
- **Annual Review:** Participation in the program and savings history will be reviewed on an annual basis. Michigan IDA Program reserves the right to lower the participant's total savings goal if the savings history strongly indicates that the target goal is unlikely to be met. However, the participant must continue to deposit a minimum of \$20.00 per month.
- **Amendment of the Participant Letter of Agreement:** must be in writing and signed and dated by both parties. Such amendment will supersede all agreements contained within this document.
- **Withdrawal of Savings if Participant Leaves the Program:** Michigan IDA Program agrees to cosign a withdrawal of the Participant's savings plus any income accrued thereon, with the understanding that the Participant thereby loses any right to receive matching funds. In the event the participant withdraws or is terminated from the program, according to the terms of this agreement; the Participant loses any and all rights to access the matching contributions.
- **Account ownership:** The Participant and the Michigan IDA Program own the IDA account jointly; both parties have access to all account information and any withdrawal requires the signature of both parties.

- **Cosigner on IDA Account:** Michigan IDA Program cosigns on all accounts and has access to all account-related information from the bank. All withdrawals must have the signatures of both the individual Participant and an authorized Michigan IDA Program Representative.
- **Participation in Data Collection:** Individuals may be asked to complete surveys, participate in interviews, and/or provide personal and financial information to the Michigan IDA Program and/or to an independent evaluator. The funding organizations of this contract, the Regional Coordinating Organizations and the Department of Human Services, reserve the right to request this information. All such information will be kept confidential.
- **Release of Liability:** the participant holds the Michigan IDA Program, collaborating agencies and organizations harmless for program changes and/or misinterpretations of program guidelines.

_____ **Initials**

Certification

I have read (or have had this information read or translated for me) and understand the contents of this agreement and agree to meet my responsibilities under it.

I plan to save \$ _____ over the next _____ months/year(s) for the purpose of

Participant's Name (*please print*):

Participant's Signature: _____ Date: ___/___/___

Sponsoring Organization Representative (*please print*):

Representative's Signature: _____ Date: ___/___/___

Attachments:

Form 4.c. Participant Saving Goal Spreadsheet

Form 5. Individual Asset Plan